

MINUTES OF MEETING OF BOARD OF PUBLIC WORKS OF AUGUST 23, 1927

The Board of Public Works met in the office of the State Treasurer at Annapolis at twelve o'clock noon.

Present:

Albert C. Ritchie, Governor.
William S. Gordy, Jr., Comptroller.
John M. Dennis, Treasurer.

The Board proceeded to open proposals for the bonds to be issued by The State of Maryland as of August 15, 1927, in accordance with advertisements appearing in the Baltimore Sun and the Baltimore American, in accordance with resolutions previously adopted. The advertisements and the proposals received follow:

ADVERTISEMENTS:

STATE OF MARYLAND
TREASURY DEPARTMENT
\$1,640,000 FOUR AND ONE-
HALF PER CENT "GENERAL
CONSTRUCTION LOAN of 1927"

Annapolis, Maryland.

Pursuant to Chapter 345 of the Acts of the General Assembly of Maryland of 1927, providing for the issue of the Certificates of Indebtedness herein mentioned and described, and pursuant also to a resolution of the Board of Public Works of Maryland passed on May 11th, 1927, and on file and open to inspection in the office of the said Board in Annapolis, Maryland, the Treasurer of the State of Maryland will receive bids or proposals for Certificates of Indebtedness of the State of Maryland, as follows:

\$1,640,000 FOUR AND ONE-
HALF PER CENT CERTIFICATES
OF INDEBTEDNESS, KNOWN AS
"GENERAL CONSTRUCTION LOAN
OF 1927"

Said Certificates of Indebtedness will all be dated August 15, 1927. They will bear interest at the rate of four and one-half per centum ($4\frac{1}{2}\%$) per annum, payable semi-annually on the 15th day of February and August, respectively, in each and every year during the continuance of the loan. The principal of said loan will be payable upon the Serial Annuity Plan, as more fully set forth in said Act of 1927, Chapter 345, as follows:

"GENERAL CONSTRUCTION LOAN OF 1927"

Series	Amount	Redeemable
"A"	\$96,000.00	August 15, 1930
"B"	100,000.00	August 15, 1931
"C"	104,000.00	August 15, 1932
"D"	109,000.00	August 15, 1933
"E"	114,000.00	August 15, 1934
"F"	119,000.00	August 15, 1935
"G"	125,000.00	August 15, 1936
"H"	130,000.00	August 15, 1937
"I"	136,000.00	August 15, 1938
"J"	142,000.00	August 15, 1939
"K"	148,000.00	August 15, 1940
"L"	155,000.00	August 15, 1941
"M"	162,000.00	August 15, 1942

The said Certificates of Indebtedness will be of the denomination of \$1000 each, subject to registration as to principal and all will be issued with interest coupons attached.

This loan and the interest payable thereon, is exempt from the Federal income tax, and from State, County and Municipal taxation.

The said bids or proposals must be delivered to the Treasurer of the State, at his office in Annapolis, Maryland, before 12 O'CLOCK NOON ON AUGUST 23, 1927. Each bid must be for cash on delivery, and must be enclosed in a sealed enveloped addressed on the outside "Proposals for General Construction Loan of 1927". Each bid must be accompanied by a certified check

upon some responsible banking institution, drawn to the order of the Treasurer of Maryland for five per centum (5%) of the par value of the amount bid for. All bids or proposals will be opened at 12 o'clock noon on August 23, 1927 in the presence of the undersigned

On the opening of said proposals, as many of said Certificates of Indebtedness as have been bid for, not exceeding, however, the amount for which proposals are invited, may be awarded by the Governor, the Comptroller of the Treasury and the Treasurer, or a majority of them to the highest responsible bidder or bidders therefor for cash; and if two or more responsible bidders have made the same bid and such bid is the highest and the certificates so bid for by such highest responsible bidders are in excess of the whole amount of Certificates of Indebtedness as offered for sale, then such Certificates of Indebtedness may be awarded in a ratable proportion to such responsible bidders bidding the same price.

The Governor, Comptroller and the Treasurer shall cause to be prepared bonds in good and sufficient form for the amount of said loan.

Albert C. Ritchie, Governor
William S. Gordy, Jr., Comptroller of the Treasury
John M. Dennis, Treasurer.

PROPOSALS:

ALEXANDER BROWN & SONS
BALTIMORE, MD.

August 23, 1927

Treasurer of State of Maryland,
Annapolis, Maryland.

Dear Sir:

On behalf of ourselves and our associates, Messrs. Brown Brothers & Co., and Messrs. Harris Forbes & Co., we hereby bid for all or none of \$1,640,000 par value State of Maryland Certificates of Indebtedness, known as General Construction Loan of 1927, dated August 15, 1927, and to mature annually August 15, in various amounts from \$96,000 in 1930 to \$162,000 in 1942, both inclusive, and bearing interest at the rate of $4\frac{1}{2}\%$ per annum, bids for which are to be received by you until 12 o'clock noon, August 23, 1927, at the rate of 103.4197% and accrued interest per \$100 par value thereof. We enclose certified check in the amount of \$82,000 which covers your requirement.

Yours very truly,

ALEXANDER BROWN & SONS.

THE BALTIMORE TRUST CO.
BALTIMORE, MD.

August 23, 1927

Treasurer of the State of Maryland,
Annapolis, Maryland.

Dear Sir:

Referring to your advertised sale of

\$1,640,000 STATE OF MARYLAND, $4\frac{1}{2}\%$ "General Construction
Loan of 1927," Certificates of Indebtedness,

copy of which advertisement is attached herewith and made a part of this bid; we bid \$1035.45 per \$1,000 Certificate of Indebtedness, plus accrued interest to date of delivery for all or none of the \$1,640,000 so advertised.

This bid is made on behalf of a group in which are associated with us the following firms, all of Baltimore, Maryland, viz., John P. Baer & Company; Gillet & Company; Hambleton & Company; Jenkins, Whedbee & Poe; and W. W. Lanahan & Co.

This bid is made subject to satisfactory legal opinion to be received from our counsel as to the legality of the bonds.

As per your advertisement, we enclose certified check payable to your order for \$82,000., being 5% of the par value of the bonds bid for, which check is to be retained by you as part payment for the bonds in the event that our bid is accepted and to be returned to us immediately in the event that our bid is rejected.

Yours very truly,

THE BALTIMORE TRUST COMPANY
Signed: Thomas Jones,
Vice President.

GUARANTY COMPANY OF NEW YORK, BANKERS TRUST COMPANY, ROBERT GARRET & SONS

Baltimore, Md., August 23, 1927

Treasurer of the State of Maryland,
Annapolis, Maryland.

Dear Sir:

For all or none of the \$1,640,000 STATE OF MARYLAND General Construction Loan of 1927, in the form of Coupon Certificates of Indebtedness, to be dated August 15th, 1927, bearing interest at the rate of $4\frac{1}{2}\%$ per annum, payable semi-annually on February 15th and August 15th, principal maturing serially from August 15th, 1930 to August 15th, 1942, inclusive, in amounts as set forth in your official advertisement of sale, the further particulars and terms of which are hereby made a part of this bid, -

We will pay you the sum of ONE MILLION SIX HUNDRED AND FORTY THOUSAND DOLLARS (\$1,640,000) and accrued interest from date of Certificates to date of their delivery, plus a premium of SIXTY THOUSAND THREE HUNDRED AND FIFTY DOLLARS AND THIRTY SIX CENTS (\$60,350.36), which is at the rate of 103.6799 and accrued interest per each \$100 par value of Certificates.

This bid is made subject to your furnishing us with the approving opinion of the legality of these Certificates and the validity of their sale by the Attorney General of the State.

As evidence of good faith in compliance with the terms of this proposition, we enclose certified check to the order of the Treasurer of Maryland for EIGHTY TWO THOUSAND DOLLARS (\$82,000), representing 5% of the par value of all or none of the above Certificates bid for, which check in the event we are not awarded the Certificates, kindly return to our representative.

This bid is for the Joint Account of the undersigned.

Very truly yours,

GUARANTY COMPANY OF NEW YORK
BANKERS TRUST COMPANY
ROBERT GARRETT & SONS

By: Robert Garrett & Sons.

GRAHAM, PARSONS & COMPANY
NEW YORK

New York, August 22, 1927

Hon. John M. Dennis,
Treasurer of the State of Maryland,
Annapolis, Maryland.

Dear Sir:

We herewith bid you \$1,702,643.08 (which is equivalent to 103.8197%) for all or none of -

\$1,640,000 STATE OF MARYLAND $4\frac{1}{2}\%$ General
Construction Loan of 1927 Certificates of
Indebtedness,

dated August 15, 1927, \$1,000 denomination and maturing as follows without option of prior redemption:

Due \$96,000, August 15, 1930	\$125,000 August 15, 1936
100,000, August 15, 1931	130,000 August 15, 1937
104,000, August 15, 1932	136,000 August 15, 1938
109,000, August 15, 1933	142,000 August 15, 1939
114,000, August 15, 1934	148,000 August 15, 1940
119,000, August 15, 1935	155,000 August 15, 1941
	162,000 August 15, 1942

In addition thereto, we agree to pay, if awarded these bonds, accrued interest from date of issuance to date of delivery.

We enclose herewith certified check for \$82,000 payable to the order of the Treasurer of the State of Maryland, representing 5% good faith deposit required in connection with this bid. The amount of this check is to be credited against the purchase price of these bonds should this bid be accepted, or returned to us should this bid be declined.

Yours very truly,

REDMOND & CO.
First National Bank of New York
Graham, Parsons & Co.
Phelps, Fenn & Co.

By: Graham, Parsons & Co.

OWEN DALY AND COMPANY
Baltimore, Md.

August 22, 1927

Hon. John M. Dennis,
Treasurer of Maryland
Annapolis, Maryland.

Dear Sir:

For all but no part of

\$1,640,000 STATE OF MARYLAND 4 $\frac{1}{2}$ % Certificates of Indebtedness, known as
"General Construction Loan of 1927" - Dated August 15, 1927
Maturing without option of prior payment as follows:

Series A ...\$ 96,000	.....August 15, 1930
Series B ... 100,000	.....August 15, 1931
Series C ... 104,000	.....August 15, 1932
Series D ... 109,000	.....August 15, 1933
Series E ... 114,000	.....August 15, 1934
Series F ... 119,000	.....August 15, 1935
Series G ... 125,000	.....August 15, 1936
Series H ... 130,000	.....August 15, 1937
Series I ... 136,000	.....August 15, 1938
Series J ... 142,000	.....August 15, 1939
Series K ... 148,000	.....August 15, 1940
Series L ... 155,000	.....August 15, 1941
Series M ... 162,000	.....August 15, 1942

Coupon Certificates \$1,000 denomination, which may be registered as to principal only

Principal and semi-annual interest (February 15 and August 15) payable in Baltimore, Maryland

Free from taxation in Maryland

we will pay 103.92999% and accrued interest to date of delivery which is equivalent to par and accrued interest plus a premium of \$64,451.84.

This bid is made with the understanding that prior to the delivery of the Certificates to us we will be furnished with a duplicate original copy of the unequal-

ified opinion of the Attorney General of the State of Maryland, to the effect that the Certificates are legal and binding obligations of the State, payable principal and interest from unlimited taxes against all the taxable property therein.

In accordance with the Notice of Sale and our bid we enclose certified check for \$82,000 being 5% of the par value of Certificates bid for, and would request that you return this check should the Certificates not be awarded to us.

Yours very truly,

THE NATIONAL CITY COMPANY
UNION TRUST COMPANY
OWEN DALY & COMPANY

By: OWEN DALY & COMPANY

THE CONTINENTAL COMPANY
Baltimore, Md.

August 19, 1927

Treasurer of the State of Maryland,
Annapolis, Maryland.

Dear Sir:

Referring to your advertisement (copy of which is enclosed herewith) in connection with sealed proposal to be presented before twelve o'clock noon, August 23, 1927 for:

\$1,640,000 (par value)
STATE OF MARYLAND
4 $\frac{1}{2}$ % Certificates of Indebtedness
Known as General Construction Loan

to be dated August 15, 1927, bearing interest at the rate of four and one half per centum per annum payable semi-annually February 15 and August 15th and to mature as follows:

A \$ 96,000, August 15, 1930	G \$125,000 August 15, 1926
B 100,000, August 15, 1931	H 130,000 August 15, 1937
C 104,000, August 15, 1932	I 136,000 August 15, 1938
D 109,000, August 15, 1933	J 142,000 August 15, 1939
E 114,000, August 15, 1934	K 148,000 August 15, 1940
F 119,000, August 15, 1935	L 155,000 August 15, 1941
M 162,000, August 15, 1942	

for all or none of the above bonds in coupon form in denominations of \$1,000 each we hereby offer to pay you at the rate of \$104.077 and accrued interest from date of bonds to date of delivery for each \$100 par value thereof.

This bid is made with the understanding that the bonds are a legal, valid, binding and enforceable obligation of the State of Maryland and that the full faith, credit, and unlimited taxing power upon all the property in the State of Maryland is pledged for the payment of the principal thereof and interest thereon and that the bonds are legally and validly issued and sold.

As required under the terms of the advertisement and as evidence of our good faith, we are enclosing herewith our certified check on The Continental Trust Company for \$82,000. This check is to be used in part payment of the bonds in case our bid is accepted, otherwise to be returned to us promptly.

Very truly yours,

ELDREDGE AND COMPANY
THE CONTINENTAL COMPANY

By: The Continental Company.

MERCANTILE TRUST & DEPOSIT COMPANY
of Baltimore

August 23, 1927

The Honorables

Albert C. Ritchie,
Governor of Maryland.
William S. Gordy, Jr.
Comptroller of the Treasury.
John M. Dennis,
Treasurer of Maryland.

Annapolis, Maryland.

Gentlemen:

Referring to the \$1,640,000, State of Maryland Four and One Half per cent. Certificates of Indebtedness known as "General Construction Loan of 1927", which bonds are to be dated August 15th, 1927 and mature serially August 15th, 1930 to August 15th, 1942, advertised to be sold on this day and date, as per attached copy of advertisement, which is hereby made a part of this bid; for all or none of this entire issue we respectfully offer to pay you for each \$100. par value the sum of \$104.26 and accrued interest to date of delivery.

This bid is made with the understanding that the bonds shall be legally and validly issued and sold and that we shall be furnished, free of cost to us, with the favorable opinion of the Attorney General of Maryland.

In accordance with the terms of your advertisement, we enclose herewith certified check to order of the Treasurer of Maryland for \$82,000 being 5% of the amount of the bonds bid for.

In the event that our bid is not accepted please return this check to us immediately.

Very truly yours,

MERCANTILE TRUST & DEPOSIT COMPANY OF BALTIMORE
Baker, Watts & Company, of Baltimore,
Stein Bros. & Boyce, of Baltimore.
Estabrook & Company, of New York.

BY: MERCANTILE TRUST & DEPOSIT COMPANY OF BALTIMORE.

SAFE DEPOSIT AND TRUST COMPANY
Baltimore, Md.

August 23, 1927

To the Honorable:

Albert C. Ritchie, Governor,
William S. Gordy, Jr., Comptroller,
John M. Dennis, Treasurer,
Annapolis, Md.

Accepted

Gentlemen:

The Safe Deposit & Trust Company of Baltimore proposes to purchase all or none of \$1,640,000. par value State of Maryland 4½% "General Construction Loan of 1927" Certificates of Indebtedness to be dated August 15, 1927, at the price of 104.30%, that is \$1,710,520.00, plus accrued interest, the certificates to be made up of the series, amounts and maturities set out below, viz:

Series A	\$ 96,000	August 15, 1930
Series B	100,000	August 15, 1931
Series C	104,000	August 15, 1932
Series D	109,000	August 15th, 1933
Series E	114,000	August 15, 1934
Series F	119,000	August 15, 1935

Series G	\$125,000	August 15, 1936
Series H	130,000	August 15, 1937
Series I	136,000	August 15, 1938
Series J	142,000	August 15, 1939
Series K	148,000	August 15, 1940
Series L	155,000	August 15, 1941
Series M	162,000	August 15, 1942

We enclose a certified check for Eighty-Two Thousand Dollars (\$82,000.00) as a deposit on account of the purchase.

Very truly yours,
SAFE DEPOSIT & TRUST COMPANY OF BALTIMORE

Signed: J. B. Kirby,
Fourth Vice President.

On motion duly seconded the proposal of the Safe Deposit & Trust Company of Baltimore was accepted by the Board of Public Works, the price bid being that yeilding the most money for the bonds.

The following letter from the Board of Welfare was read:

BOARD OF WELFARE
Baltimore, Md.

August 2, 1927

Board of Public Works,
Annapolis, Maryland.

Gentlemen:

We beg to submit herewith for your consideration and approval the following contracts for the Maryland House of Correction:

- (a) Contract with E. Keeler & Company for two 400 H.P. boilers for the gross price of \$20,797.00.
- (b) Contract with the Heat & Power Corporation for covering piping, pumps, heaters, etc., for the gross price of \$17,000.00.
- (c) Contract with Ralph MacMurray for cutting holes for wiring of boiler room, tunnel between power house and woman's prison and building to house refrigerating machinery for the price of \$6500.00.
- (d) Contract with Parlett L. Davis, trading as Davis Construction Company, for three-story work shop, slate construction, for the gross price of \$80,750.00.
- (e) Contract with Richard Morton for 1-240 H.P. Harrisburg Unaflow Engine, and 1-150 H.W. General Electric Generator for the gross price of \$11,000.00
- (f) Contract with the Stark Electric Company for 245 feet stranded triple braid slow burning wire and 60 feet stranded double braid slow burning wire, etc., for the gross price of \$333.00

- (g) Contract with Ralph MacMurray for residence of the Warden of brick and slate construction for the gross price of \$24,000.00.
- (h) Contract with the Novelty Steam Boiler Company for blow-off tank for the gross price of \$195.00.
- (i) Contract with the York Manufacturing Company for ice plant and cold storage insulation for the gross price of \$21,141.00

These contracts were awarded to the lowest bidder and approved as to form by the Attorney General.

We likewise request your approval of the order in which the same are awarded, which is the order hereinabove set forth.

The above is submitted pursuant to the provisions of Section 7 of Chapter 345 of the Laws of 1927.

Very truly yours,

Signed: Robert D. Case,
Secretary.

Upon motion duly seconded the Board approved the contracts enumerated in the foregoing letter.

The following correspondence relative to a new building for the Commissioner of Motor Vehicles was read:

COMMISSIONER OF MOTOR VEHICLES
Baltimore, Md.

July 1, 1927

Mr. Joseph M. McCusker, Secretary,
Board of Public Works,
Annapolis, Maryland.

Dear Mr. McCusker:

I transmit herewith:

Copy of agreement submitted by William G. Beecher, architect for the proposed new building for the office of the Commissioner of Motor Vehicles.

Copy of my letter submitting this contract to Mr. Levy of the Attorney General's office.

Copy of Mr. Levy's reply to my letter.

I request that you lay this correspondence before the members of the Board of Public Works at the earliest possible date.

Very truly yours,

Signed: E. Austin Baughman,
Commissioner.

June 23, 1927

Colonel E. Austin Baughman,
Commissioner of Motor Vehicles,
Baltimore, Maryland.

Dear Colonel Baughman:-

I have your letter of the 22nd instant, enclosing proposed form of contract between the Commissioner of Motor Vehicles and Mr. William Gordon Beecher, architect for the new building for your Department. You ask me to examine this contract and advise you whether it is all right for you to sign.

By reference to Chapter 345 of the Acts of 1927, you will find an appropriation of \$225,000.00 is made to the Motor Vehicle Department for land and New building.

Section 7 of that Act requires all contracts for any purpose for which the proceeds of the loan are appropriated, to be approved by the Board of Public Works.

Chapter 351 of the Acts of 1927 authorizes, directs and empowers the Board of Public Works to utilize and expend the appropriation to the Motor Vehicle Department out of the proceeds of the "General Construction Loan of 1927", for the construction of a new office building for the Motor Vehicle Department, and the Board of Public Works is also charged with the duty of asking for bids and entering into contracts in the usual form for the construction of the building.

It follows that it will be necessary that the contract submitted by you be awarded and entered into by the Board of Public Works, and I must therefore advise you that you are not authorized to execute the same. The matter should be referred to the Board of Public Works.

I am returning herewith the papers inclosed in your letter.

Very truly yours,

Signed: Herbert Levy,
Asst. Attorney General.

Mr. William Gordon Beecher,
12 East Pleasant St.,
Baltimore, Md.

June 20, 1927

Dear Mr. Beecher:

I have your signed contract which you left with Mr. Munford a day or two hence, and have referred it to the Attorney General prior to affixing my own signature as Commissioner.

As soon as I have received his approval, I will communicate with you.

Very truly yours,

Commissioner.

The Honorable Herbert Levy,
633 Title Building,
Baltimore, Maryland.

July 1, 1927

Dear Mr. Levy:

I have your letter of recent date returning to me the proposed contract between the Commissioner of Motor Vehicles and Mr. William Gordon Beecher, Architect for the new building of this department, and note that the Commissioner of Motor Vehicles, under the provisions of Chapter 345 and Chapter 351 of the Acts of 1924 has no authority to enter into such contracts.

I am so advising Mr. Beecher and forwarding this correspondence to the Board of Public Works.

Very truly yours,

Commissioner.

Upon motion duly seconded the proposed agreement was approved by the Board with the provision that the architect's fee of 6% cover all costs for further architect's work in connection with the erection of the new building.

The following letter from Henry P. Hopkins and Allan Burton, architects for a new building for power house, kitchen and laundry for the Maryland Training School for Boys was read and considered:

HENRY POWELL HOPKINS
ALLAN BURTON
Baltimore, Md.

August 8, 1927

Re: Power house, kitchen and laundry building
The Maryland Training School for Boys
Lock Raven, Md.

Senator Clarence W. Perkins,
Chairman of the Building Committee,
of the Maryland Training School for Boys,
10 South Street,
Baltimore, Maryland.

Dear Senator Perkins:

The following is an itemized account of all the contracts as let to date which, including the architects' fee, amounts to \$119,764.36. This information is for your files.

North-Eastern Construction Co., General Construction	\$41,544.00
H. E. Crook Company, Heating Apparatus, Etc.	43,045.00
H. E. Crook Company, Plumbing	4,187.00
Hutchinson Brothers, Kitchen Equipment	2,324.00
Alphons Custonis Chimney Company, Chimney	2,715.00
United Cork Company, Cold Storage Rooms	3,807.00
American Laundry Machinery Co., Laundry	7,395.00
Central Cons. & Supply Company, Refrigerating Plant	5,032.00
Harris & Williams Elec. Company, Electric Wiring	<u>2,936.25</u>
Total Contracts	\$112,985.25
Architects' fee 6%	<u>6,779.11</u>
Total Cost	\$119,764.36

Very truly yours,

HENRY P. HOPKINS & ALLAN BURTON
Architects.

Upon motion duly seconded the Board approved the estimates for the work as covered in the foregoing letter, and authorized the Maryland Training School for Boys to proceed with the work. The Board also authorized the school to spend the difference between the amount appropriated for the work, namely, \$125,000 and the estimates above, amounting to \$119,764.36 for electrical and kitchen equipment.

Albert S. Cook, State Superintendent of Education and Mr. Wilson L. Smith, architect, appeared before the Board and submitted a summary of bids for gymnasium and auditorium building for the Frostburg Normal School, Frostburg, Md., including new central heating system, as follows:

SUMNATION OF BIDS FOR GYMNASIUM & AUDITORIUM FOR
THE FROSTBURG NORMAL SCHOOL...FROSTBURG...MD.

Including new central heating system.

Baltimore, Maryland.
August 10th, 1927

SUMNATION OF NEW BIDS:

Building.....Wright-Richardson Co.-.....	\$46,423.00
Electric.....Sterling Electric Co.....	1,890.00
Heating.....Bartley-ONeill Co.....	17,746.00
Plumbing.....Bartley-ONeill Co.....	<u>5,148.00</u>
	\$71,207.00
Extension feed pipes underground (approximate).....	<u>690.00</u>
	71,897.00
Architects' Commission.....	<u>4,313.82</u>
Total.....	\$76,210.82

Upon motion duly seconded the Board authorized Mr. Cook to proceed with the work in accordance with the estimates submitted.

The following letter from Mr. F. Brooke Matthews, State Tobacco Inspector, was read and considered:

STATE TOBACCO WAREHOUSE
Baltimore, Md.

August 12, 1927

Hon. Wm. S. Gordy, Jr.,
State Comptroller,
Annapolis, Md.

Dear Sir:

According to my calculations the present allowance in the Budget will not be sufficient to maintain the expenses of the State Tobacco Warehouse for the entire year ending September 30th, therefore I will be obliged, if you will provide additional funds for the purposes needed here to the extend of \$8,000.00 to take care of the prospective deficiency.

Thanking you in advance for your courtesy in the matter, I am,

Very truly yours,

Signed: F. Brooke Matthews
State Tobacco Inspector.

The Board was advised by the Comptroller that the appropriation to the State Tobacco Warehouse for the fiscal year, 1927, was \$95,506.00 and that it is estimated the receipts from the Warehouse in this year will amount to about \$110,000.00. The Board in view of the fact that the receipts will exceed the amount appropriated and the additional amount of \$8,000.00 requested, authorized the expenditure of \$8,000.00 additional in this fiscal year.

The following letter from Mr. Enos S. Stockbridge, one of the Receivers for Maryland Motors, Inc., was read and considered:

August 13, 1927

Office of Comptroller,
Annapolis, Md.

ATTENTION MR. MCCUSKER

Gentlemen:

On March 28, 1927, a receiver was appointed for Maryland Motors, Incorporated, since which time I have been appointed a co-receiver.

I note that State taxes are still open for the years 1924-25-27, 1926 apparently having been paid prior to the receivership.

An examination of the affairs of the Company shows that it has never earned any money, but on the contrary has shown an operating loss since it was started, and according to my information, the assessments against it were arbitrary, that is to say that the amount of the assessment was not based on any report made by the Company, and were very much in excess of the correct amount.

The Company was also in arrears in the payment of its taxes to Baltimore City, where its business was carried on, and judgment was obtained by default for the years 1924 and 1925. The matter was gone into carefully with the City Solicitor's office before the appointment of receivers, and this judgment was settled and satisfied. The amount of the City's claim in the suit for 1924-25 taxes was \$4813.46, which figure undoubtedly included accrued penalties. The suit was filed in the latter part of 1925. This suit was settled by the Company on March 12, 1927, which was before the appointment of receivers, the amount of the settlement being \$2,000. This was on the basis of 41.5% of the claim.

Since the appointment of the receivers, I have taken up with the City a settlement of the 1926 and 1927 taxes. Suit has already been filed for 1926 taxes. The City Solicitor's office has agreed to settle for these two years on the same basis as the previous settlement.

As evidence that these settlements were made in an effort to be entirely fair on both sides, attention is called to the fact that the Company has at all times had sufficient funds to pay the taxes in full, in accordance with the priority such claims would have over general creditors. That same situation exists today as the receivers have in hand approximately \$15,000 in case. I am writing you to ask whether you will not make a compromise of the State taxes on the same basis that has been accepted by the City and I have written thus fully in regard to it in order that you may have the whole situation before you.

I shall be pleased to hear from you as promptly as you can advise me.

Yours very truly,

Signed: Enos S. Stockbridge,
Receiver.

Upon motion duly seconded the Secretary was authorized to write Mr. Stockbridge that the Board would wave penalty and interest which have accrued on the taxes due the State by Maryland Motors, Inc., but that it would expect payment in full for the taxes owing.

The following letter from Orrick M. Ensor, State Hay Inspector, Eastern Hay Scales, Baltimore, was read and considered:

Baltimore City, Md.
June 23, 1927

To the Governor of Maryland,
Hon. Albert C. Ritchie.

Dear Sir:

I hereby make request for new scales at the Eastern Hay Scales. The scales are not sufficient for the present trucks. They were made for wagons in 1876.

Respectfully,

Signed: Orrick M. Ensor.

Upon motion duly seconded the Board decided it unadvisable to spend any money for a new scales.

A letter from Fairbanks, Morse & Company to the Board advising installation of new scales in the Eastern Hay Scales and the Northwestern Hay Scales was read and considered. Upon motion duly seconded it was decided not to install new scales.

The Board approved for payment bill of the Daily Record of \$11.00 for publication of advertisement for proposals for bonds of the General Construction Loan of 1927 issued as of August 15, 1927.

The Comptroller and Treasurer reported that the securities owned by the Common Free School Fund and the schools in Sundry County's Fund were sold and the money received, along with the cash in that fund, distributed to the counties and Baltimore City, in accordance with the provisions of Chapter 453 of the Acts of 1927 and in accordance with action of the Board of Public Works of June 9, 1927. The payments to the counties and Baltimore City were in the following amounts:

Baltimore City	\$67,899.10
Allegany County	11,316.52
Anne Arundel County	18,854.57
Baltimore County	20,589.87
Calvert County	4,849.94
Caroline County	14,541.21
Carroll County	17,652.80
Cecil County	11,919.80
Charles County	4,849.94
Dorchester County	17,252.43
Frederick County	31,800.01
Garrett County	6,466.58

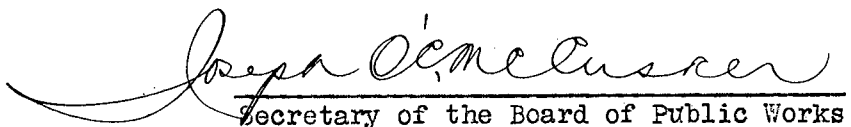
Harford County	\$14,085.38
Howard County	10,890.86
Kent County	13,241.03
Montgomery County	28,231.79
Prince George's County	17,387.61
Queen Anne's County	14,630.77
St. Mary's County	9,420.45
Somerset County	12,009.40
Talbot County	17,852.33
Washington County	19,413.83
Wicomico County	15,909.02
Worcester County	<u>12,860.72</u>
Total	\$413,925.96

The Board authorized the purchase of \$42,000, par value, of the Construction Loan of 1920, due August 15, 1932. for State Accident Fund, on 4% basis.

The State Treasurer reported that he had written to the Farmers National Bank relative to interest on the State's bank account with that bank, and that he had received an acknowledgement from the bank agreeing that the interest to be paid by the bank on the State deposits would be on the same basis as interest paid by other banks on State deposits.

*

There being no further business the meeting adjourned.


Secretary of the Board of Public Works

* The Board approved the Comptroller's request that he be allowed to spend approximately \$500.00 for upholstering and repairing the furniture in the Comptroller's private office.